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## **Institutional Forms of Philanthropy in West Africa**

*by*

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## 1. Introduction

Although the African people have a rich culture of giving, sharing and mutual support, the field of philanthropy in Africa is not well documented. Foundations are national or international structures that are set up so that funds are made available to specific kinds of recipients as grants, in general, and sometimes as loans for the underprivileged people. It is a fact that resource mobilization is a key issue not only for small not for profit organizations but also for African foundations. For those foundations to impact positively on the development of the continent, they need to be financially supported by Africans and not just rely on foreign resources. As foundations, they have a variety of potential mechanisms to fulfill their mission.

The political and socioeconomic context in which African foundations evolve may determine to a large extent their ability to fulfill correctly their core mission. The state of democracy and freedom, decentralization and good governance are critical attributes to the socio-political environment. On the economic front, the financial constraints that most countries have to cope with would certainly have some influence on businesses and undermine their willingness to invest in philanthropic activities.

The landscape of African foundations is one of a corpus of diverse institutional forms (individual, community based, religious or corporate foundations) with their own internal dynamics. It would be therefore interesting to understand how these entities differ and on what critical assets they depend.

How do African foundations mobilize monetary and non monetary resources (methods, strategies)? Who contributes to their budget (individuals, organizations, businesses, members, boards) and to which extent (percentage of local resources versus foreign ones)? What limitations and obstacles do African foundations face in their resources mobilization policies and practices (lack of information, lack of strategic planning, and lack of skills)? Are they financially sustainable?

To address those questions, we conduct a comparative analysis of five (5) foundations evolving in West Africa: the *“Fondation d’entreprise Sonatel”*, the Karanta Foundation, the *“Fondation pour le développement durable du Sahel”*, the Fondation 2Ei (Burkina) and the *“Fondation Youssou Ndour–Youth network for development”*.

The outcomes of the case studies will shed light on some of the essential characteristics of West African foundations. They will also contribute to a better understanding of the state of philanthropy in West Africa and subsequently feed into the knowledge gap in the field of philanthropy as it is practiced in the African context.

The next section presents the methodology of the study. It first introduces the rationale for the choice of the case study foundations. Then it explains the data collection methods and instruments. Section 3 describes the African context within which foundations develop. Section 4 discusses the institutional forms of philanthropy with three subsections: i) forms of philanthropy; ii) the foundations and philanthropic issues; iii) the internal dynamics of foundations, the challenges and the emerging issues. Finally section 5 and 6 present respectively the case studies and the concluding remarks.

## 2. Methodology

Five West African foundations were selected for the case study analysis. To this end, the research process included different phases among which a literature review, design of a survey instrument, data collection and analysis and finally, report writing.

### a) Rationale for the choice of case study foundations

To address the issue of the institutional forms of philanthropy, we chose different models of foundations. The underlying hypothesis is that these institutional forms would greatly influence resource mobilization strategies and endowment sources.

- The first is “*Fondation Sonatel*” in the family of corporate foundations. As is often the case, these foundations keep the name of the businesses generating their funds. As a result, their philanthropic actions also contribute to the recognition of the company. The *Fondation Sonatel*<sup>1</sup> was created by SONATEL, a telecommunication company based in Dakar, Senegal with its mobile branch present in Mali, Guinea and Senegal. It is a corporate foundation which provides funds to support education, health and culture.

- The second model of philanthropy refers to institutions initiated by a cluster of West African government representatives (often ministries) to tackle specific issues that require sustainable resource mobilization strategies. Fall in this category the Karanta Foundation and the *Fondation pour le Développement Durable du Sahel* or “*Fondation Sahel*”.

- The Karanta Foundation<sup>2</sup>, dedicated to non formal education, was created in 1999 by four West African Countries (Burkina Faso, Mali, Niger and Senegal) under the auspices of the Ministries of education. A core mission of this foundation is to mobilize resources to support initiatives for the development of non formal education and training in Sub-Saharan Africa. The foundation has its headquarters in Mali and a focal point in each of its Member States. Funding for the foundation comes from contributions of Member States and other external donors. IDRC<sup>3</sup> was key financial and technical partner for the foundation.

- The *Fondation pour le Développement Durable du Sahel* or “*Fondation Sahel*” was created by the Head of States of the Permanent Inter-states Committee for drought control in the Sahel (CILSS)<sup>4</sup>. The foundation supports the CILSS to mobilize additional financial resources on a regular and sustainable basis so as to fulfill its mandate which is to invest in research to secure food and fight desertification.

- The individual philanthropy represents the third model of philanthropy and the “*Fondation Youssou Ndour*” serves as a case study. In several aspects, individual initiatives of this nature are close to corporate foundations partly because the initiator is often a recognized business entrepreneur. Youssou is no different. He is a leader and owner of a musical group, possess a diversified portfolio (musical industry, media....).

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<sup>1</sup> <http://www.fondationsonatel.sn/index.php?lang=french>

<sup>2</sup> The Karanta foundation is a public institution under international law; for more information see:

<http://www.fondationkaranta.org/index.php>

<sup>3</sup> B, Ba, V. Dahany, V. Doulou, S. Kassoum, S. Tapsoba. *La philanthropie, sources de financement alternatives de la recherche en Afrique de l'Ouest et de Centre*. Dakar, IDRC, 2000. 69 p.

<sup>4</sup> The *Comité Permanent Inter Etats de lutte contre la Sécheresse dans le Sahel* (CILSS) is composed of the following countries : Burkina Faso, Cap Vert, Gambie, Guinée Bissau, Mali, République Islamique de Mauritanie, Niger, Sénégal, Tchad. For more on the Fondation Sahel, see: <http://www.cilss.bf/htm/fondation.htm>

- Finally, we introduce a model of philanthropy designed specifically as an international public-private partnership. The *Fondation 2iE* (Burkina) was given responsibility to manage 2iE, a specialized Institute for Water and Environmental Engineering of the EIER-ETSHER Group based in Ouagadougou, Burkina Faso<sup>5</sup>. This partnership is an innovative solution to help to meet the challenge of decreasing governmental funding for universities and other institutions of higher learning. This is a very different model of institutional arrangement for resource mobilization.

Another differentiating characteristic stems from the fact that some foundations have a regional scope while others are local institutions.

## **b) Data collection methods and instruments**

To conduct the case studies, several steps were followed:

- a thorough desk work enabled a review of the literature
- a questionnaire was designed and sent electronically to managers of the selected foundations. Then telephone interviews or face to face where possible allowed completion of the data collection process at the foundation level.
- Given the qualitative nature of the endeavour and to deepen understanding of the issue at hand, face to face interviews were also conducted with beneficiaries, experts, other resource persons and the ministry overlooking these foundations. Junior researchers hired for the circumstances, carried out some of these interviews.
- The questionnaire sent to the managers of the foundations comprised 4 main subsections:
  - o Foundation identification: Beside the name and the date of creation, this subsection presents the mission, objectives, priority areas and target groups.
  - o Resources: Human and financial resources are explored. The former stresses on the roles of the board of administration and its contribution to resource mobilization. It also looks at the use of volunteers.
  - o Resource mobilization policy: In this subsection, questions seek to see whether there are strategic and resource mobilization plans and what are the main resource mobilization strategies.
  - o Additional enquiries: This subsection examines three different issues: difficulties the foundation is confronted with and the solutions it recommends; transfers and other advantages received from the government; the foundation's achievements and its priorities for the coming years.

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<sup>5</sup> <http://www.2ie-edu.org>

### **3. The West African Context**

#### **Is a new Africa emerging on the outset of the 21<sup>st</sup> century?**

The idea of *African renaissance* has regained attention the last few years both within and outside the continent. A powerful wave of Afro-optimism is channeling various initiatives involving African policymakers, intellectuals and scholars alongside the international donor community. This new shift in Africa's development paradigm is reshaping the daily interactions between different partners and evolves within a favorable political and socioeconomic environment.

The political context is marked with increased pressure for democracy and good governance. The fight for an effective popular participation in the political process has gained ground and the reign of dictators is questioned, especially after the end of the ideological divide induced by the "Cold War".

Promoting democracy and empowering people through decentralization have become major State objectives. Good governance is increasingly included in donors' conditions for resource allocation. A set of norms and principles (accountability, transparency, human rights) are spelled out to represent minimum standards to which policymakers are held. In this context, civil society organizations have grown challenging political leaders and offering alternatives views.

West Africa's situation gives a good picture of the overall African scene. Until recently political instability has ragged many States in the region and deprived millions of people. Throughout the 1980s and 1990s, the region has suffered inter-state armed conflicts and civil wars with negative spill-over effects for neighboring countries. As a consequence, many States became fragile and were hardly able to assume the basic demands of the citizenry. The political and military involvement of ECOWAS in resolving some of the regional conflicts underscores the new engagement of West African leaders for an environment conducive to peace and prosperity.

Several countries in West Africa coped with this political turmoil while absorbing the painful recipes from the adjustment programs of the 1980s and 1990s. Earlier, in the 1960s, most States assumed a central development role but failed to deliver and became increasingly oppressive and corrupt. A conjunction of negative factors i.e. mismanagement, the deteriorating international environment with the first oil shock in the 1970s and cyclical droughts contributed to a profound economic and financial crisis which precipitated the calls for IMF and World Bank intervention. These institutions prescribed painful remedies based on a market-oriented model of economic development which confined the State to limited functions. As a result, key sectors such as education and health were almost abandoned and the poorest populations left unassisted.

In many areas, local solidarity and Non Governmental Organizations' involvement and supply of services for potable water, sanitation, health and education... alleviated the situations of many people and offered a way out for the most vulnerable. The fragile States of the 1980s and the 1990s were disqualified; they were often incapable of meeting the basic needs of their populations and delivering essential social services.

The beginning of this new century has witnessed remarkable changes:

- i) the development community is now convinced that States have to assume key functions, in contrast to the liberalization wave that tended to dispossess States from their major functions;
- ii) The emergence of Poverty Reduction Strategy Papers (PRSPs) and the Millennium Development Goals have set the stage for a focused State intervention in areas such as education and health, even though other actors' contributions are expected.

- iii) The Paris declaration, signed in 2005, promotes “aid effectiveness”, seeks to fight against aid dispersion and tries to develop a mechanism based on country-led partnership and co-responsibility.

On the regional front, there is increasing agreement among leaders for popular participation to the construction of ECOWAS. The erection of the ECOWAS Parliament and the involvement of civil society in the definition of core policy options and strategies clearly indicate the road path towards the well-being of the West African people. The set up of a common external tariff (CET), the harmonizing of the rules that govern the different member States, participate to the collaborative strategies for economic integration. Likewise, within the Franc zone, the West African economic and monetary union (WAEMU) strives also to facilitate economic and monetary integration through instruments such as the CET and the Common Agricultural Program.

Although the overall picture depicted above displays contrasting results, Philanthropy would find a suitable receptacle for development in the West Africa region. On the positive side, the need for support i.e. the demand for giving is overwhelming and induces many coping strategies. Among these, Africans have other ways of giving that may not always enter the classical view of philanthropy. Besides, the ambiance of democracy that has prevailed and/or improved in recent years in the region, favors the emergence of philanthropic institutions, foundations in particular. Foundations initiated by States or relying on public funds for the initial endowment will find the environment a bit depressing. During the structural adjustment period, there was almost any probability to survive on the basis of public funds. Nowadays, State contributions may be secured but one should not underestimate the financial constraints the West African countries have to deal with.

#### **4. Institutional forms of philanthropy**

##### **A diversity of institutional forms**

Nowadays, it is widely admitted, in terms of political economy, that modern economy is based on three key sectors (the State, the private sector and the civil society). The State's distinctive role is to work for the common good. The private sector's competence is market exchange and the third sector's competence is to promote the private choice of citizens who share common values and who are willing to organize themselves for the achievement of common goals or to express their solidarity with underprivileged individuals, groups or communities. Most of the time this philanthropic work is done using institutional forms, that is to say structures and mechanisms of social order and cooperation governing the behavior of a set of individuals or groups. Those institutional forms can be formal or non formal.

Philanthropy is a broad concept that can be defined in different ways. The conventional definition which is widely inspired and shaped by others can be misleading in an African context. Therefore, there's a great need to address philanthropy as it is practiced daily in Africa by Africans. The key elements of definition can be (1) the individual or collective effort or inclination to increase the well-being of a person, a group of people or humankind (2) the sense of solidarity and sharing with people in need (3) an activity or institution intended to promote human welfare. Philanthropy is ultimately a matter of context. As mentioned by Richard Holloway (2001): « *There are likely to be cultural traditions about giving. However few cultures remain static- they are changing and changing dramatically* ».

Philanthropy goes beyond charity and altruism as, not only it works for the dignity and fulfillment of all people but also it seeks to root out the causes of poverty, suffering and inequality. Philanthropy inspires and promotes individual growth and community welfare.

West African philanthropy is not generally supported by formal foundations but by individuals, groups and communities. However, corporate, individual, religious and public foundations do exist and perform essential roles that serve society at large.

In Africa, specifically, philanthropy is shaped by community and social values. It is also true that philanthropy as a set of values and practices is a mirror of social values, visions and norms.

There is diversity and dynamism of traditional forms of philanthropy. In fact, like the great majority of donors, Africans give for various and sometimes for complex reasons. In general, people want to give to noble causes, if they are asked to give, if they know where to give and if they think their donation is useful or can make the difference. Some people may give from the head, others from the heart and sometimes from both.

The main institutional form of African philanthropy is predominantly non formal, in the sense that it is difficult to capture all the donations made because they are often done in secrecy.

The African ethos of help and sharing can be described not just as conventional form of philanthropy for community but as philanthropy of community. The last form of philanthropy refers to vertical relationships between the rich and the poor and the first one implies horizontal relationships between the poor themselves, or at least, people who are not wealthy.

The African type of philanthropy is not tied to times of boom or prosperity. It is daily. In hard times, people will probably give less in other societies, for example. In Africa, hard times are also moments of sharing and togetherness.

The type of foundations traditionally defined and understood by many people as « *structures that are set up so that funds can be accumulated and made available in perpetuity to specific kinds of recipients as grants and/or loans to be used for specified purposes* » is not common in the African context.

#### 4.1 Forms of philanthropy

There are various forms of philanthropy in West Africa such as:

- **Individual philanthropy:** Many individuals are effective donators in urban areas and rural areas, whether they are rich or even poor. African philanthropy is directed more towards individuals than groups or organizations. People give more to the members of their families, friends and neighbors than to unknown organizations for projects such as the building of hospitals or schools, for example. Philanthropy is geographically and socially very limited. In general individual philanthropy does not benefit to unknown people as resources may be used for marginalized groups of the world;

- **Community-based philanthropy:** several associations, grassroots' organizations or community based organizations work as private entities that pursue activities to relieve suffering, protect the environment, provide basic social services and undertake community development. Those organizations are value-based and not for profit. They are membership organizations made up of groups of individuals who have joined together to further their own interests. Those associations develop also philanthropic activities and rely on their own resources to carry such activities. In general, they serve a specific population in a given area. Unlike local NGOs, they don't develop and implement development-related projects or advocacy activities;

The case of the African diaspora can be interesting because West Africans abroad have a live sense of solidarity with their peoples. In almost all cities, whether in Africa or elsewhere, many solidarity associations exist and were created to assist the members in need but also the people at the village. In the North of Senegal, a lot of schools, wells or nurseries are funded by the diaspora. Many villages and towns rely on their financial support for their living;

- **Religious philanthropy:** Like in many countries, philanthropy for religious purposes is very developed in Africa. Religion is traditionally a powerful and driving force for generosity; it serves as a generous booster of philanthropic causes. For example, for religious purposes, Islamic believers are encouraged to make donations that are called « *zakat* » used to buy food and clothes for the poor or the building of hospitals and orphanages. It may be argued that « *zakat* » contributions do not build self-reliance or fight poverty but they are still valid mechanisms of solidarity;

Christian generosity is also another expression of philanthropic concern, in particular in the fields of education, health and water. African churches are examples of religious philanthropic institutions as they perform daily voluntary work to support financially and morally the poor;

- **Corporate philanthropy:** As the case studies will reveal, the emergence of African corporate foundations is relatively new. In Senegal, the case of the foundation of SONATEL can be a good example of a thriving business that invests in the social for the common good. In SONATEL philanthropy is not seen as the simple fact of giving but as a means to fulfill a social purpose while pursuing a financial profit.

## 4.2 Foundations and philanthropic issues

African philanthropy is also embodied by foundations that can be created for various motives and purposes. Five types of foundations can be mentioned: individual foundations, corporate foundations, service delivery foundations, university foundations and inter governmental foundations.

Modern forms of philanthropy as conveyed by foundations exist also in Africa. However, with the exception of Senegal, in almost all western African francophone countries, there is no specific legislation related to foundations. All civil society organizations (CSO) such as associations and Non Governmental Organizations (NGOs) abide by the same legislation.



For historical reasons, those countries don't have a tradition of foundations as it is the case in English speaking countries.

Many organizations named as foundations are not foundations properly speaking, if we refer to the definition given by the ministries in charge of foundations (Finance, Social Development). For example, the West African Rural Foundation (WARF) in Senegal and the Community Development Foundation (CDF) of Burkina Faso are registered as associations. Where they exist, most of them are intermediary organizations; very few African foundations have endowments and provide grants to people in need.

Individual foundations are created by outstanding men or women for particular interest like the protection of endangered species. In general, the donators are rich individuals (businessmen, successful politicians or scientists) as a means of sharing their wealth or earning credit for the after-life. In Senegal, we have *The Fondation Léopold Sédar Senghor* dedicated to education, science and culture and in Mali the *Fondation pour l'Enfance* for the protection and promotion of underprivileged children.

For businesses, having a foundation can be viewed as a way of being a good corporate citizen willing to share its profits with society and mindful of having a separate entity.

More than ever, universities are creating foundations for the sake of mobilizing resources from alumni and the business community for educational and research purposes. The cases of 2IE in Burkina Faso and Cheikh Anta Diop University of Dakar can be good examples.

Governments can set up non political and independent foundations if they share some major concerns. Foundations like Karanta in Mali or Fondation du Sahel in Burkina Faso are owned by several States and pursue community goals.

African foundations are created for various motives and purposes, but most of the time, without any endowment fund, but simply as an opportunity for the founders to catch foreign funds. As mentioned by the Senegalese Chief of the Foundations Office at the Ministry of Finance: "many people are interested in creating foundations but unfortunately either they do not know what foundations are and how they operate or they are motivated by the search of personal interest instead of common good. For a foundation to exist there must be an inalienable endowment fund representing the initial allocation of the foundation".

Services delivery foundations (the great majority of African foundations) are generally national organizations that operate like NGOs or even consulting firms. Either they look for foreign funds to carry their own projects or are contracted to deliver services, design projects or conduct research.

#### **4.3 The internal dynamics of foundations, challenges and emerging issues**

Philanthropy is a long tradition in West Africa. But foundations are relatively new. Because the nature and quality of West African foundations vary, from one country to another, depending on the life cycle, it is not quite easy to talk about the strengths of foundations in general. However, some key elements can be highlighted:

1. Long term commitment and emphasis on specific issues and mainly social ones;

2. Field-based development expertise as several projects are conducted using participatory and gender approaches and tools;
3. Flexibility because of their small size and the way they operate.

The main weaknesses of West African foundations are:

1. Limited institutional capacity;
2. Limited financial resources;
3. Small scale interventions;
4. Lack of coordination and umbrella groups:

In fact, West African foundations are limited from an institutional viewpoint. Not all foundations have the skills to promote organizational development and achieve effectively strategic planning and operational management, resource mobilization, networking, lobbying, communication and organizational evaluation. For example, for resources mobilization campaigns to be successful, it is important for the foundation to have very committed boards of administration that can play several key roles.

West African foundations have relatively good relationships with their governments. Governments tolerate even non formally established foundations; foundations enjoy freedom of speech and association. However the operational collaboration with foundations is weak. In the great majority of West African countries, foundations don't have a clear legal framework; they do not enjoy good taxation policies and duty exemptions. With the exception of 2IE in Burkina Faso, all the other foundations are not well supported by their governments.

The confusion over the status of foundations, the lack of coordination and communication among foundations themselves, and between foundations and governments are real obstacles. In countries like Burkina Faso, associations, NGOs, organizations for common good and foundations have the same legal status. There is no specific legislation for local foundations. But according to the Coordinator of the NGOs Service, the Government is looking for solutions: *"we are interested in developing local foundations, but we don't know how to do it. We have difficulties to make the difference between foundations and other types of organizations. At present, we encourage foreign foundations because unlike local foundations they have the financial resources to carry development programs. It is not interesting for us to support local foundations if they rely on the government and the donor community to mobilize resources"*.

So far, local giving adds very little value to African foundations. People are willing to give and share but they don't see foundations as adequate and effective means to channel their donations. Five main reasons can account for their reluctance:

First of all, for cultural reasons, people are not used to making donations to foundations. Partly because foundations are relatively new in West Africa and also because it's easier to give to a close friend, a relative or a neighbor than to give to an institution;

Secondly, foundations are perceived as being rich. For the great majority of people, they have good buildings and nice vehicles and travel most of the time. Because of the

psychological impact of international philanthropy, being a local foundation is regarded as an opportunity of mobilizing resources through international grants;

Thirdly, giving in poor countries can be very complicated. Cash grants are sometimes used for other purposes, mishandled or simply stolen. Because of poor management of grants, lack of accountability and communication, the act of giving is problematic.

It is often expected that foundations provide services free of charge. One common error is to believe that they should work as unpaid organizations, even though they face overhead costs. Most of the time, foundations find it difficult to ensure financial popular participation.

Finally, local foundations themselves assume that local communities have nothing to offer. Those communities are not engaged in matters of resource mobilization and strategic planning but just considered as passive benefactors. And the communities themselves are not prepared to value themselves and recognize their participation as a key ingredient in achieving effective and sustainable local development.

Wilson (2001) believes that: *« In the future, organizations will thrive financially only if they know themselves, if they plan carefully both for their program and their fundraising, if they are credible to the community they serve, if they are governed and managed effectively, if they are financially responsible and if they communicate well ».*

As the case studies will reveal, the emergence of modern and « truly » African foundations is relatively new. But still, some foundations do exist like Youssou Ndour's Youth Foundation and the corporate foundation of SONATEL in Senegal, the university foundation of 2IE in Burkina Faso and the governmental foundations of Karanta in Mali and Fondation du Sahel in Burkina Faso.

How can African foundations survive in a context of political, economic and social crisis? If the mission of foundations is praiseworthy and their role crucial in the socio economic development of Africa, the lack of qualified human resources, adequate funding or the reliance on foreign donors can be a real threat to their long term development and sustainability.

A good dialogue between foundations and governments can boost the development of philanthropy in West Africa. It is crucial to understand the importance of foundations. Foundations can contribute to the quality, effectiveness and sustainability of government-financed projects. Working with credible foundations can be an opportunity to develop and experiment innovative strategies and extent projects impact beyond the micro level. In order to reinforce the relationships between foundations and governments, what should be done in terms of responsibility and power sharing? Are both parties well prepared to work in partnership? Is it always appropriate to encourage government-foundations collaboration if foundations risk losing their autonomy and credibility by accepting government funds, for example? What kind of government policies in matters of legislation, registration, governance, capacity building, reporting requirements, taxation, incentives and funding should be promoted to ensure foundations' organizational development? What kind of friendly environment should be promoted by governments for rich individuals and families wanting to create private foundations and endowments?

The issue of funding is of particular interest. Many organizations are in danger as they lack money and have no tax incentives. Poor economic environment, inappropriate laws, lack of

governmental support, and sometimes mistrust of the donor community can be considered as hostile elements for their growth.

Most African foundations do not have endowments (funds, land or property permanently invested to provide income). And this makes them really different. The great majority of African foundations work like NGOs; they compete for the same resources and face almost the same financial problems. With the exception of corporate foundations, almost all the other foundations work as paid consultants or contractors.

Another constraint of foundations is the limited range of income generating activities, the reliance on foreign donors, and the weakness of local philanthropy. In such circumstances, how can foundations fulfill their mission if they lack financial resources? Acting as a contractor to deliver services can push a foundation to neglect its primary mission. At the same time, foundations need money to survive. Obviously, they will experience a tension between short-term project goals and long-term community goals. If local foundations cannot address local problems, what would be their contribution to the social and economic development of West African societies?

If directed towards productive investments for social good, religious philanthropy can be an interesting philanthropic alternative. Local foundations can explore practical ways of channeling the resources provided by individuals and religious groups. Instead of short-term actions, foundations can use the resources to contribute to long-term sustainable community development.

Today and more than ever, there's a great need for local foundations to imagine innovative solutions for their survival as organizations that respond to local needs by mobilizing adequate financial resources. To achieve that goal, they may need to build their credibility, develop income generating activities, have more committed boards of administration in resources mobilization, build staff capacity in organizational development, and promote local philanthropy. That kind of work can be easier if foundations are well structured and capable of voicing their cause through strong umbrella organizations.

Businesses may not be interested in creating foundations but willing to fulfill social purposes. This can be a good opportunity for local foundations to partner with businesses to mobilize resources.

## **5. Case studies**

### **Case study N°5.1: The “*Fondation d’Entreprise SONATEL*”**

SONATEL is the main telecommunications provider of Senegal. In 2002, SONATEL created the “*Fondation d’Entreprise Sonatel*” governed by a council which comprises:

- Seven (7) individuals representing the founder (SONATEL); the President of the Foundation Council belongs to this group;
- A representative of the founder's employees selected by the leading labor union;
- A representative of the State;
- Two external resource people drawn from the areas of concentration of the Foundation

The Director of SONATEL is by statutes the President of the Foundation Council. As such, he chooses the 7 representatives of the Founder.

As early as 2002, SONATEL disbursed an initial endowment fund of 125,000,000 XOF (about €190,561) in favor of the foundation. Revenues from this initial endowment, contributions from other institutions pursuing the same objectives and government subsidies constitute the main sources of financial resources for the foundation. The foundation's statutes promote partnership with other organizations to engage in philanthropic actions. The foundation's financial resources may also come from calls for public generosity and donations.

With the above resources, the "*Fondation d'entreprise Sonatel*" seeks to support projects which value human development efforts, in particular in areas such as health, education and culture. Between 2002 and 2007, the foundation has financed over 2 billions XOF (about €3,048,980) to improve the health conditions of the population, and participate in the development of the education and culture sectors. So far, 80% of the expenditures have been devoted to the health sector and 10% to education.

In 2007, funding has been channeled to the health sector to support people with disabilities, fight malaria, diabetes and other debilitating diseases; research is also eligible for funding. In the education sector, the focus has been mainly on giving scholarships to promote female schooling. Additional funding was devoted to students' educational tools. Finally, on the cultural front, financial resources went to support creative work and to enhance cultural events.

As a corporate foundation, the "*Fondation d'entreprise Sonatel*" enjoys stability and a relative financial sustainability stemming from its founder's strength. The foundation offers SONATEL a unique opportunity to make a highly appreciated contribution for the needy and to polish the public image of the company.

Despite its relative success and the proven durability of the foundation (based on the existence of the endowment fund and the continuous support of the founder), there is still need for additional funds which may require a resource mobilization plan if one expects a sustainable result. The administrative board which oversees the functioning of the foundation may want a dedicated body for resource mobilization. For now, even though public generosity is seen as a source of financial contributions, there are no mechanisms and human resources (volunteer) to tap on these potential resources.

### **Case study N°5.2: The "*Fondation Youssou Ndour – Youth network for development*"**

In 2000, Youssou Ndour, a Senegalese musician and entrepreneur launched the "*Fondation Youssou Ndour–Youth network for development*" committed to youth well-being and to the promotion of entrepreneurship in disadvantaged areas. The Foundation also fights poverty, ignorance and illiteracy. It is part of the coalition against child labor and contributes to the promotion of children's rights. Education and civic duties are also important areas for the foundation.

The foundation is governed by a Council of Foundation whose 14 members are chosen by the founder based on their specific knowledge and their qualification with regards to the foundation's areas of concentration. The Foundation appoints a President among its members for a renewable three year term. An administrator leads the operational team and may be chosen among the council's members.

At the outset, the founder offered an initial endowment fund of 10,000,000 XOF (about €15,245). In addition to the initial endowment fund, the foundation's revenues are supposed to come mainly from public or private donations, subsidies, and the setting up of fundraising events.

This diversity of objectives and the wide spectrum of areas of interest are reflected in the activities of the foundation: they range from economic, social, educational, volunteering, art and culture. In the economic front, funding went essentially to micro-projects and support for youth work. On the social field, funds were spent to finance vaccination campaigns, to subsidize hospitals, provide for treatment drugs and health equipment and participate in sensitization campaign. At the education level, the priority was to grant scholarships to students from needy areas, especially the female component. The foundation offers funding opportunities to civic duty training programs, and training activities in art and culture. Culture events are also eligible for funding.

The "*Fondation Youssou Ndour*" carries out its mission like a corporate foundation and in many aspects possesses the latter's strengths. It is however slightly different from the SONATEL model as the former depends more on the goodwill of the founder who is an entrepreneur and a musician. This model of philanthropy based on an individual and autonomous African initiative, managed by an independent body and formally structured is relatively new. Together with the SONATEL initiative, these types of foundations are making a great difference in areas where the demand for support is continuously growing.

The strength of the Foundation "Youssou Ndour" resides also on its ability to organize key fundraising events. It is taking advantage of the founder's visibility and his leadership activities in the musical arena.

If there is any weakness that may emerge from a diagnosis of the "*Fondation Youssou Ndour – Youth network for development*", it would be its lack of a guiding line which is often provided by a strategic plan. Instead of this forward looking stand, interventions may be greatly influenced by the daily happenings, even if those events might not enter the main objectives of the foundation.

### **Case study N°5.3: The KARANTA Foundation**

The KARANTA Foundation is a public body which supports non formal education policies. KARANTA was created in 1999 in Ouagadougou (Burkina Faso) by the ministries in charge of education of the founding Member States ((Burkina Faso, Mali, Sénégal) with the support of the International Development and Research Centre (IDRC). The convention to create the foundation was signed in 2000 in Dakar, Senegal. Nowadays, KARANTA is home to four (4) Sahelian African countries, as Niger has joined the founders. The foundation is still open to

new Members States. The KARANTA headquarters are in Mali. Within each member State, the foundation is under the umbrella of the Ministry in charge of non formal education.

The objectives of the KARANTA foundation are: 1) to assist the Members States in the design and implementation of non formal education policies; 2) to mobilize resources destined to support development initiatives, both qualitatively and quantitatively, in the area of non formal education; 3) to provide backing to non formal education projects presented by Members States; 4) to facilitate networking among non formal education practitioners.

KARANTA is funded by contributions from Members States, financial partners and other private sources of funding.

The organs of the foundation are the Board of the Foundation (direction and control) and the Management of the Foundation which implements policies defined by the Board. In addition, there is a national technical support committee in each Member States.

It has taken five (5) years for the three founding Members States to ratify the Convention. Although Mali executed its duty as early as 2001, Senegal followed only in 2004 and Burkina one year later in 2005. In spite of the benefit foreseen in this type of organization along with its regional integration features, it is clear that long delays may lessen its potential impact. In addition, the reliance of the foundation on member States' financial support is a serious weakness, especially given the economic and financial constraints these countries have to face.

Fortunately, with the financial assistance of few international organizations (UNESCO, the *Agence de la Francophonie*), KARANTA has been able to display some milestones both in terms of designing teaching materials, backing research in Multilanguage dictionaries. This punctual support may not last and it is urgent that the Board implements policies that would generate a flow of resources in a long term basis.

#### **Case study N° 5.4: The 2IE Foundation**

The 2IE Foundation was created in January 2007 in Burkina Faso in order to manage the pedagogical, material and financial patrimony of The International Institute for Water Engineering and Environment. Members of the foundations are from 14 African States, financial and technical partners, universities and the private sector. The foundation is governed by a General Assembly of 5 bodies (financial, state, scientific and business), a Board of Administration with 7 committees among which employment, strategy, ethics, student life, etc. And for the operational structure, the managing director is supported by a permanent staff of 41 permanent teachers, 12 associate teachers, 29 part time teachers and support staff.

During the current academic year, 550 students from 20 African countries are trained. In its strategic plan, 2IE expects to train 1,000 students in 2010.

The initial budget of 2 318 millions XOF (about €3,500,000) in 2004 rose up significantly to 3 477 millions XOF in 2007.

With a professional planning and management system, the Foundation offers a large spectrum of services (vocational teaching, consultancy, distance learning, etc.)

The 2IE Foundation is an interesting case study for various reasons:

- The 2IE Foundation grew out of the former EIER-ETSHER Group that went through organizational crisis. It's a kind of rebirth as a community foundation. So far, this new shift can be considered as being successful. In fact, after a series of crisis, the former school has managed to develop strategic thinking and work effectively to achieve its goals. With a good leadership, it is quite possible for foundations not only to survive in a difficult context but also to thrive.
- The membership is open and inclusive; it gives the opportunity for partners from different backgrounds to work for a common goal on a win-win basis. Not all foundations see the usefulness of developing partnerships to achieve common goals.
- The relationships with the Government of Burkina Faso are a good example of public support to a private initiative. In fact, many advantages are offered to the foundation in terms of immunities, land property, free entry and visa, tax incentives, etc. The government has succeeded in creating avenues for the foundation to operate easily to the benefit of the community. The foundation's achievements illustrate the key roles universities can play to support governments in their mission. It is always good to seek Government–foundation complementarities where it is possible.
- Good and diversified resource mobilization strategies and as a result, several grants were received and service contracts signed with the European Union up to €4.565 millions. There's a wide belief that resources cannot be mobilized in poor environments. The example of 2IE shows that if foundations are market driven and if they can respond to the demand, it would be easier to raise funds. Using professionals to mobilize resources is also a key factor. And this is well understood by the foundation that has staff dedicated to that purpose.

Unlike the foundation du Sahel, instead of relying on State financial contribution, 2IE has mainly sought their political and institutional support. That support can help in building credibility and in the long run mobilize resources.

As the foundation is relatively new, its impact cannot be easily assessed yet. However, its example can be interesting for newly born university foundations like the foundation of Cheikh Anta Diop University.

#### **Case study n°5.5: The *Fondation du Sahel pour un Développement Durable***

The idea of creating the foundation was discussed for the first time in April, 1994 in Praia (Cape Verde). But the convention creating the foundation was only signed in 2001 by



the 9 Heads of States of CILSS Members as a public-interest and not for profit organization with the mission of assisting « *CILSS in mobilizing additional regular and sustainable financial resources necessary for the achievement of its general mandate* », that is to say sound and sustainable management of natural resources (water, lands, forestry, energy), intensification and diversification of agricultural, livestock and fish production, improvement and access to food and basic social services for vulnerable groups and intervention in the event emergency situations resulting from natural disaster.

The membership is open to sahelian States, development partners and the civil society. The organs of the foundation are the Board of the Foundation (for direction and control) and the Management of the Foundation (implementation of policies defined by the Board).

The resources of the Foundation shall accrue particularly from an endowment fund representing the initial allocation (made available in the form of cash subscriptions) and grants from the Donor Community. In 1998, 20 billions XOF (about €30,500,000) were needed to start the endowment fund.

So far the Convention has been ratified by 7 member States out of 9. Senegal and Guinea Bissau have not ratified the convention yet for unspecified reasons. Political reasons and competition for leadership may be explanatory factors. The fact that the foundation has no director (because it does not have formal existence yet) can account for its lethargy. How can the foundation be developed with centered decision making processes? Without strong political will, how is it possible to develop a true spirit of solidarity and active partnership amongst all the parties interested in the general mandate of the foundation?

Several important lessons were learnt from this experience. Firstly, the establishment of an autonomous management structure such as a foundation is time consuming and bureaucratic because there are many governments involved, a lot of paperwork and frequent institutional change. Even though it is important to develop community policies to fight desertification in the Sahel, putting in place an intergovernmental organization remains difficult and challenging.

Secondly, participatory approaches, good communication and close coordination between constituencies are crucial. The desire to promote such approaches should not result in wasting years planning and evaluating. Sometimes, it's good to jump in, and adjust plans if necessary. If action is not taken, opportunities are missed.

One positive aspect is the awareness of the constituencies to develop a true spirit of solidarity and active partnership to look for food security and combat the effects of drought and desertification.

One negative aspect is to realize that after 14 years, no concrete action has been undertaken to operate the foundation. It is also legitimate to question the political will of some member States.

Like the Karanta foundation, the foundation du Sahel has, so far, little impact on the lives of West Africans. The quests for food security and access to basic social services for vulnerable groups are noble causes. Meanwhile, it is relevant to wonder if intergovernmental

foundations are the solutions. Having entrepreneurial States is not an easy thing. Therefore, why not provide local foundations with an enabling environment and build on their autonomy, flexibility and cost-effectiveness?

## **6. Conclusion**

The modern form of philanthropy as conveyed by foundations is gaining ground in West Africa. The above case studies have shown early successes, even though most West African foundations in particular in the French speaking countries, are relatively new and thus are in the early stages of their development.

To foster the actual trend, it is imperative that policy makers provide a supportive legal and fiscal environment. Foundations should also dedicate some time and resources to build their capacity in organizational development.

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